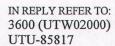


United States Department of the Interior

BUREAU OF LAND MANAGEMENT Fillmore Field Office 95 East 500 North Fillmore, UT 84631

http://www.blm.gov/ut/st/en/fo/fillmore.html

OCT 02 2014



DIV. OF OIL, GAS & MINING September 10, 2014

CERTIFIED MAIL # 7012 3460 0000 6633 2414 RETURN RECEIPT REQUESTED

Mr. Edwin Lister

43 CFR 3600 - Mineral Materials

P.O. Box 651 Delta, Utah 84624

October 2014 Expiration of Negotiated Sale Contract

Your contract with the Bureau of Land Management (BLM) for a mineral materials sale at the Bullseye Project will expire on October 14, 2014. The sale was for 100 tons of banded rhyolite, appraised at \$12.50/ton. Payment was received for 100 tons on October 14, 2009.

The existing operation is located in Township 14 South, Range 11 West, Salt Lake Meridian, Section 33, in aliquot part S½ NW¼ NE¼. Surface disturbance at your existing operation currently encompasses approximately 1.5 acres. The exclusive sale was previously assigned BLM case file number UTU-85817. Please refer to this number for any future communication concerning the Notice. The corresponding Utah Division of Oil, Gas, and Mining (UDOGM) case file number is S/023/0031.

The contract expires on October 14, 2014 and the total purchase price is required to be received by this office 60 days prior to expiration. Please provide a production report for the total amount removed at this time. The contract states "You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown . . ." The regulations at 43 Code of Federal Regulations § 3602.22 When will a contact terminate? (a) Your contract terminates when- (1) Its term expires; (2) You have completed production under your contract or permit and any renewal, and completed required reclamation; or (3) BLM cancels your contract under § 3601.60 et seq. of this part. (b) You and BLM may, by agreement, terminate the sales contact at any time.

If you wish to continue to remove mineral materials from the site after the contract expiration date, then you must submit a written request for a new exclusive sale, including the amount proposed for purchase and a reclamation plan for the site after the cessation of operations. If you do not wish to continue production after the contract expiration, then you must initiate reclamation operations at the site. Reclamation, including earthwork and revegetation, must be



completed to BLM and UDOGM standards before a potential refund of the reclamation bond may be processed.

If you have any questions regarding your application or the fees connected with it, please contact Duane Bays, Fillmore Field Office (FFO) Natural Resource Specialist, at (435) 743-3115.

Sincerely,

Michael D. Gates Field Manager

Mahlo Le

cc: Paul Baker

UDOGM

1594 W North Temple Ste 1210

SLC, UT. 84114-5801